

**STATEMENT OF PRINCIPLES FOR THE ACQUISITION OF
UNITED STATES SUGAR CORPORATION PROPERTY FOR THE
RESTORATION OF THE EVERGLADES**

1. This Statement of Principles is entered into this 24th day of June 2008 by the South Florida Water Management District ("SFWMD") and the United States Sugar Corporation, a Delaware corporation ("USSC"). This Statement of Principles provides a framework for the acquisition of property for the protection of the coastal estuaries and the restoration of the northern and southern Everglades that include elements as set forth in paragraphs below.
2. USSC and its affiliates own interests in real property in Palm Beach, Hendry, Glades and Gilchrist Counties, including a sugar mill, a sugar refinery, an office building located in Hendry County, a citrus processing plant/tank farm, an internal railroad and an external short-line railroad, together with other fixtures, buildings, structures, and other improvements erected thereon, and permits, licenses, rights, privileges and appurtenances thereto as set forth on the attached map made a part hereof ("Lands"). The Lands consist of approximately 187,000 acres (or approximately 292 square miles) owned in fee simple.
3. USSC and its affiliates also own tangible personal property used in connection with the operation of USSC'S agricultural business, including furniture, equipment, tools, machinery, vehicles and railroad rolling stock, all to be more specifically described in the contemplated Purchase Agreement between SFWMD and USSC ("Personalty"). In no event shall Personalty be deemed to include planted or harvested crops (including sugarcane and citrus fruit), stubble cane and other consumables used or produced in USSC's business operations.
4. For consideration as set forth in Paragraph 8 to be paid by SFWMD to USSC, USSC will convey or cause to convey to SFWMD and/or third parties designated by SFWMD all of USSC and its affiliates rights, title and interests in and to the Lands and Personalty.
5. Lands owned in fee simple will be conveyed by the appropriate general warranty deeds. To the extent applicable, Lands leased or in which an easement interest is held will be transferred by assignment of lease or easement. Personalty will be conveyed by appropriate bill(s) of sale and applicable warranties or guarantees transferred. The SFWMD or USSC shall have the option of deferring closing on particular parcels pending completion of environmental remediation of pollutants on such parcels.

6. The conveyances will be subject to USSC's retained use and possession of the Lands and Personalty to continue its existing operations for a period of time ending on the sixth (6th) anniversary after the closing date, unless extended by the agreement of the two parties. Up to 10,000 agricultural/crop acres of the Lands, as selected by the SFWMD, will be subject to release of USSC's retained use and possessory interest on the fifth (5th) anniversary of the closing date. USSC will pay all fees, costs and expenses arising from continued use and possession of the Lands and Personalty, including lease payments, applicable taxes, and applicable assessments. USSC will continue to implement generally applicable BMP requirements on the Lands during this period.

7. Following termination of USSC's retention of use and possession, USSC shall be responsible to deliver at its expense the Lands and Personalty in compliance with all federal, state and local statutes, ordinances, rules and regulations, including the environmental remediation of pollutants.

8. Subject to SFWMD's receipt of its own independent appraisal which must be satisfactory to SFWMD, USSC is willing to sell and SFWMD is willing to buy the Lands and Personalty for \$1,750,000,000.00, together with the retained use and possessory rights of the Lands and Personalty as described in Paragraph 6 hereof (which includes the right of USSC to retain the rents and revenues derived therefrom).

9. USSC and SFWMD will use best efforts to negotiate and execute a Purchase Agreement within seventy-five (75) days of the date hereof and to close by November 30, 2008. The Purchase Agreement may include third party exchanges and purchases of portions of the Lands and Personalty. The Purchase Agreement will also be subject to public and/or private financing of the purchase price and the limitations such financing imposes.

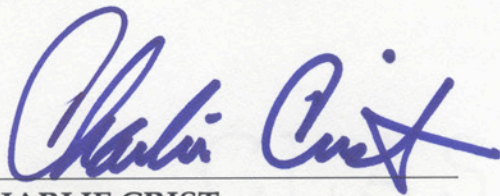
10. USSC and its affiliates will not transfer any right, title or interest in the Lands or otherwise encumber its interests in the Lands prior to the closing, unless such transfer or encumbrance is cured/satisfied prior thereto. USSC and its affiliates may sell Personalty in the ordinary course of conducting its business.

11. This Statement of Principles is non-binding and is subject to the negotiation and execution of the Purchase Agreement in form satisfactory to SFWMD and USSC. Until such Agreement is fully executed, no party has any financial or legal obligation with respect hereto.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned agree to the foregoing Statement of Principles as of the date first above written.

WITNESS:




CHARLIE CRIST,
Governor of the State of Florida

[As to USSC and SFWMD]

USSC:

UNITED STATES SUGAR
CORPORATION, a Delaware corporation


By:
Name:
Title:


Robert B. Baker, Jr.
President

SFWMD:

SOUTH FLORIDA WATER
MANAGEMENT DISTRICT,
a public corporation created under
Chapter 373, Florida Statutes

By:
Name:
Title:


Shannon Estence
Vice Chair